

February 2011

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CMA resources

When you see this icon, that means there are additional resources available free to California Medical Association (CMA) members at the CMA website. To access any of these resources, visit www.cmanet.org/ces.



CMA On-Call

Throughout this publication, you will find references to "CMA On-Call" documents. On-Call is an online library that contains over 4,500 pages of medical-legal, regulatory, and reimbursement information.

On-Call documents are available free to CMA members at www.cmanet.org/member. Non-members can purchase On-Call documents for \$2 per page in the CMA bookstore, www.cmanet.org/bookstore.

Tell us what you think

The California Medical Association (CMA) is interested in your feedback. Let us know which topics you would like to see addressed in future issues. Contact CMA's Center for Economic Services at 916/551-2061 or economicsservices@cmanet.org.

CMA Center for Economic Services

1201 J Street, #200, Sacramento, CA 95814
economicsservices@cmanet.org • 916/551-2061

CMA Practice Resources (CPR) is a free monthly bulletin from the California Medical Association's Center for Economic Services. This bulletin is full of tips and tools to help physicians and their office staff improve practice efficiency and viability.

SUBSCRIBE NOW: Sign up for a free subscription at www.cmanet.org/news/cpr.

SPREAD THE WORD: Please forward this bulletin to your coworkers and colleagues.

BREAKING NEWS: For breaking news, subscribe to CMA's biweekly member newsletter, CMA Alert, at www.cmanet.org/news.

Having payor problems?

CMA's Center for Economic Services is here to help

The California Medical Association's Center for Economic Services (CES) is staffed by practice management experts with a combined experience of more than 125 years in medical practice operations. Our goal is to empower physician practices by providing resources and guidance to improve the success of your practice. Assistance ranges from coaching and education to direct intervention with payors or regulators. Access to CMA's practice management experts is a members-only benefit.

When should I call CES?

CMA members can call on CMA's practice management experts for one-on-one help with contracting, billing, and payment problems. It might be time to call CES if you answer "yes" to any of the following questions:

- Are your claims not being paid in a timely manner?
- Are you not being paid according to your contract?
- Are your claims being denied after obtaining prior authorization?
- Are you receiving unreasonable requests for medical records or untimely requests for refunds?
- Are you having difficulty obtaining fee schedules and/or payment rules?
- Are your claims denied for untimely filing?
- Have you been presented with a managed care contract and you're not sure if the terms are consistent with California law?

Call CES today and we'll arm you with the knowledge you need to identify and fight unfair payment practices.

What can CES do for me and how much will it cost?

Access to our advocates is a free member benefit and includes:

- Education and guidance on reimbursement and contracting related issues
- Advice on best practices for improved practice viability
- Information on your rights and responsibilities under California law and regulations
- Sample letters, forms, and toolkits
- Intervention directly with the payor when necessary
- Assistance with filing a formal complaint with the regulator
- Guidance on managed care contracting
- Information on identifying and preventing payor abuse

How do I access CES services?

Phone: Reimbursement Helpline 888/401-5911

E-mail: economicservices@cmanet.org

Mail: California Medical Association
Center for Economic Services
1201 J Street, STE 200
Sacramento, CA 95814

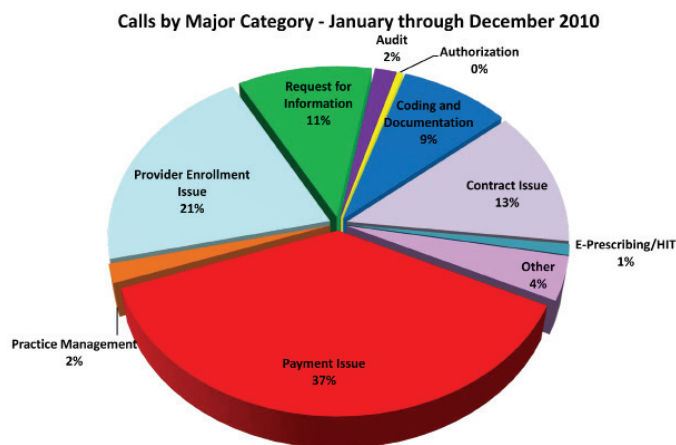
Web: www.cmanet.org/ces



TIP: For a list of unfair payment practices, see Know Your Rights: Identify and Report Unfair Payment Practices at www.cmanet.org/ces.

2010 CES advocacy recap

In 2010, the California Medical Association's Center for Economic Services (CES) successfully recouped over \$2.5 million from insurance companies on behalf of our physician members. Complaints concerning payment issues represented the largest percentage of member calls to CES. Of the payment related calls, 29 percent were regarding denials in payment, 20 percent were regarding payment delays, 15 percent were regarding underpayments and 15 percent were reports of refund request issues.



In addition to payment related issues, CES successfully advocated on behalf of physicians regarding payor policy and contracting issues. Examples include:

Obtained clarification of the Blue Cross Timely Access contract amendment

CMA recently received a number of calls from physicians concerned about a new Blue Cross contract amendment. According to a notice mailed to physicians in October 2010, the amendment was issued to ensure compliance with the Department of Managed Health Care's (DMHC) "timely access" regulations, which took effect Jan. 17, 2011.

The regulations require health plans regulated by DMHC to ensure that patients can see a provider within certain time frames and that plans have adequate provider networks to meet these requirements.

CMA's review of Blue Cross' amendment determined that it included a number of provisions that appeared to go beyond the timely access regulatory parameters. CMA raised its concerns with the insurer and in response Blue Cross provided the following clarifications:

- **In-office waiting room time** – The original notice indicated that "in-office waiting room time" was part of the timely access requirements. Blue Cross clarified and confirmed that this is an existing Blue Cross requirement and is not related to the new timely access regulation.
- **Emergency care** – The original notice stated physicians were required to provide "immediate access to emergency care." Blue Cross clarified that after-hours answering service staff and answering machine instructions should direct patients in the event of an emergency to dial 911 or go to the emergency room.
- **Member services by telephone** – The original notice stated patients must be able to reach a live person within 10 minutes during normal business hours. In the November 2010 and January 2011 issues of Network Update, Blue Cross clarified that this is a plan responsibility and not a physician responsibility.

CMA also identified for Blue Cross contracting physicians that the new state-mandated timely access time frames are actually less stringent than Blue Cross' existing requirements as specified in Section 4.2 of the standard Prudent Buyer contract. A chart comparing Blue Cross' existing access standards and the new timely access standards is available at www.cmanet.org/ces. A copy of Blue Cross' notice mailed to physicians is available at www.cmanet.org/news/cpr. For more information, see the January issue of Blue Cross' Network Update at <http://www.anthem.com/ca/home-providers.html>.

Facilitated a letter of clarification from Blue Cross on global surgery policy change

In May 2010, Blue Cross notified physicians of impending changes to their Prudent Buyer Participating Physician Agreement. One of the changes announced addressed how Blue Cross would reimburse certain services when performed during the global surgical period. Specifically, the notice stated CPT codes 10060, 10061, 10140, 10160, and 10180 would no longer be eligible for separate reimbursement when performed during the global post operative period of the related surgical procedure (page 2 of the notice). Previously, appending modifier -78 to these codes would bypass the edit.

After receiving a number of calls from concerned physicians, CMA worked with Blue Cross' medical director and received written clarification that the new edit only applied when these services were performed in the physician's office (place of service 11). A copy of the notice can be found at www.cmanet.org/news/cpr.

Worked with TriWest to correct error resulting in underpayment of RotaTeq vaccine

In July 2010, the CMA began receiving reports from physicians about a sudden decrease in payments for the RotaTeq vaccine (CPT 90680). Physicians reported that beginning with May 1 dates of service they saw their rates drop from \$70/dose to \$35/dose, which didn't cover the cost of the vaccine. CMA reached out to our contacts at TriWest and asked them to investigate. As a result of CMA's efforts, TriWest identified a clerical error causing underpayments not only for RotaTeq, but several other vaccines that did not have a set CHAMPUS Maximum Allowable Charge rate. The vaccines had been entered into the TriWest system as two-unit vaccines rather than 2 ml vaccines, thus reducing the payment by 50 percent. TriWest corrected the error and, at CMA's request, automatically reprocessed all affected claims.

Worked with Blue Shield of California to revise consultation code policy

CMA was successful in advocating for a revision to Blue Shield's policy on the frequency of consultation code billing. In April 2010, Blue Shield announced a change to their payment policy on consultation codes stating it would reimburse for only one consultation code within a 12 month period when performed by the same physician or another physician of the same specialty within the same practice. CMA learned that Blue Shield's edits only review the first three digits of the ICD-9 code. Thus, subsequent claims submitted within a 12 month period by the same practice with the same first three digits of the ICD-9 code would automatically be denied per the new policy, even if the claim was for subsequent consultative services on a separate or different part of the body. At CMA's urging, Blue Shield modified its policy by extending the edits to the first four digits of the ICD-9 code.

Successfully advocated for a change to United's coverage determination guideline related to rhinoplasty, septoplasty and turbinate resection

In September 2010, UnitedHealthcare announced a revised coverage determination guideline related to rhinoplasty, septoplasty and turbinate resection. The guideline included a new requirement that would have added an administrative burden to physician practices and potentially compromised patient care. United's policy, as written, would have required not only written documentation, but also a CT scan and seven "high quality color photographs" prior to rendering the services, or the services would be denied. In addition to the administrative burden, these requirements could have exposed the patient to unnecessary doses of CT radiation. CMA intervened with United's medical director, which resulted in a revision to the policy. The guideline no longer requires a CT scan if a patient refuses the scan or the physician believes it to be unnecessary. In such cases, United will accept detailed clinical documentation that adequately demonstrates chronic and consistent nasal obstruction that is unresponsive to medication. Additionally, the requirement for photographs has been eliminated for all cases except those in which there is a post-traumatic nasal deformity. The revised policy went into effect Dec. 1, and can be downloaded at www.unitedhealthcareonline.com by going to "Policies, Protocols & Administrative Guides," then "Medical & Drug Policies & Coverage Determination Guidelines."

Educational tools created in 2010

The California Medical Association's Center for Economic Services published several guides and toolkits in 2010 to assist physicians, including the following:

- 1. Payor Contract Amendments: An Action Guide for Physicians**
This guide is designed to help physicians understand their rights and options when a health plan notifies them of a material modification to a contract, manual, policy or procedure.
- 2. Medicare Internet-based PECOS Enrollment Guide for Physicians**
This guide walks physicians through the process of PECOS enrollment, from determining if they are in PECOS to accessing the Internet-based PECOS enrollment system.
- 3. 2010 Guide for Medicare Consultation Code Reporting**
This guide provides guidance regarding coding for consultative services.

Health plan provider newsletters

To make sure that you are aware of important news from your contracting health plans, we encourage you to regularly read plans' provider newsletters and bulletins. Follow the links below to access the current issues.

AETNA: www.aetna.com. Click on "Health Care Professionals" in the main menu, then on "News for Providers" in the left sidebar.

CIGNA: www.cigna.com. Click on "Health Professionals" under "Customer Care" in the main menu. Then, scroll down and click on "Newsletters."

ANTHEM BLUE CROSS: www.anthem.com/ca. Click on "Providers" in the main menu, then on "Professional Network Update" under "Spotlight."

BLUE SHIELD: www.blueshieldca.com. Click on "I'm a Provider," then on "Announcements" under "News and Features."

HEALTH NET: www.healthnet.com. click on "I'm a Provider" and then "California." Enter username and password, and then click "Online News."

MEDI-CAL: www.medi-cal.ca.gov. Click on "Publications" in the main menu, then on "Provider Bulletins."

MEDICARE/PALMETTO GBA: www.palmettogba.com/j1b. Click on "Publications" in the left sidebar, then on "Medicare Advisory."

UNITED HEALTHCARE: www.unitedhealthcareonline.com. Click on "Tools & Resources" in the main menu, then on "Network Bulletin."



CMA RESOURCE: Find up-to-date profiles on each of the major payors in California at www.cmanet.org/ces.

4. CMA Managed Care Consultation Code Quick Reference Guide

CMA surveyed the major payors in California to find out which of them plan to follow Medicare's lead and eliminate payment for consultation codes. The results are outlined in this document.

5. LaVida Medical Group – Important Changes: What They Mean to Your Practice

This guide was created to help physicians understand the impact the changes with LaVida Medical Group may have on their practice. Included is information on DMHC approved transition plans, names and contact numbers for the receiving IPA/medical groups, plan-specific continuity of care policies, and other important information for physician practices.

6. Cal-Net IPA Physicians Guide

This guide provides physicians with details on the Cal-Net IPA closure and subsequent bankruptcy and includes plan-specific transition plans, the names of the receiving medical groups/IPAs, continuity of care information, and other important information for physician practices.

7. Payor Solvency Checklist

This checklist was developed to help physicians monitor the financial health of their contracted payors.

8. Updated Payor Profiles

These profiles contain important contact numbers, addresses, and links for quick reference for payor interactions for major managed care and government payors.

9. Blue Cross Important Changes:

What They Mean to Your Practice

In late 2009 and early 2010, Anthem Blue Cross announced several changes that impact physician practices. To help physicians understand the impact these changes would have on their practices, CMA published this tool kit, which contains information on each of the changes, including important dates and links to important documents and sample letters.

10. Know Your Rights:

Identify and Report Unfair Payment Practices

This document summarizes California's Unfair Payment Practices legislation.

11. Know Your Rights: Quick Guide for Appeals

This document lists some of the more common types of denials and a brief description on how to respond to these denials.

12. Know Your Rights: Timeframes for Appeal

This document provides a summary of timeframes to appeal PPO, HMO, ERISA, Medi-Cal, Medicare, Workers' Compensation claims.

13. Know Your Rights: Timely Payment

This document provides a summary of when payors must pay claims and the penalties associated with late payment.

Blue Cross announces end to Healthy Families continuity of care plan

The Department of Managed Health Care (DMHC) has granted approval of the networks in the remaining Blue Cross Healthy Families counties in January. With this approval, Blue Cross will no longer be required to offer a continuity of care plan.

Blue Cross has, however, agreed to extend the continuity of care plan through March 31 for patients in all counties except San Bernardino, Riverside and Orange. The continuity of care plan for those three counties expired Aug. 30, 2010. Effective April 1, 2011, all physicians will have to be in Blue Cross' Healthy Families network in order to get paid.

As you may recall, Blue Cross announced in March 2009 that it would require physicians to sign a separate contract and accept reduced rates if they wanted to continue treating Blue Cross-insured patients through the Healthy Families and Access for Infants and Mothers programs. The new lower payments vary but hover just above Medi-Cal rates.

As a condition of the network approval, DMHC required that Blue Cross provide 30 days written notice to both patients and physicians regarding the elimination of the continuity of care plan, which has allowed patients to see out-of-network physicians since Sept. 2009.

Physicians who have patients currently undergoing a course of treatment and believe that transition of care to another provider could adversely impact the patient's care can contact Blue Cross Utilization Management at 888/831-2246 to request authorization for continued care as a non-participating physician.

Patients can locate in-network physicians at www.anthem.com or by calling the number on the back of their insurance cards.

A copy of the notice that was recently sent to physicians is available at www.cmanet.org/news/cpr.

Medicare releases new fee schedule changes for 2011

The Centers for Medicare & Medicaid Services (CMS) recently released a revised 2011 physician fee schedule. The 2.2 percent update that took effect on June 1, 2010, was the starting point for the 2011 payment update. The Medicare and Medicaid Extenders Act of 2010, signed by President Obama in December, established a payment update for 2011 of 0 percent, which means that the 2.2 percent update from last June continues throughout 2011. This payment update replaces the 25 percent pay cut that otherwise would have been imposed due to the sustainable growth rate formula.

Although the physician payment rates are not being cut, the final rule included a reweighting of practice expense relative value units (RVUs), malpractice RVUs and work RVUs. Other modifications that affect payment are relative values for services that were identified as misvalued, updated data being used in the geographic practices cost indices and multiple procedure payment reductions for therapy and imaging services.

In order to maintain budget neutrality, the numerical value of the conversion factor was set to \$33.9764.

These changes may affect the payment physicians will see for 2011 and may result in increases or decreases to individual codes. Some specialties may see more of an impact, as reflected in the impact table from the 2011 final rule, found at www.cmanet.org/news/cpr.

Physicians are encouraged to use the California Medical Association's Financial Impact Worksheet (www.cmanet.org/ces) to determine the impact the RVU and other factors will have on your practice. Medicare fee schedules for 2010 and 2011 are posted on Palmetto GBA's website, www.palmettogba.com/j1b, and can be used for the calculations.

Additional information about these changes is explained in a CMS transmittal sent to contractors along with the updated files. A copy of the transmittal can be found at www.cmanet.org/news/cpr.

CMA Advocacy at Work

"CMA is the definitive resource for all questions and advice related to billing and collection. CMA's reimbursement advocacy advisors are extremely knowledgeable and are as responsive to my inquiries as a solo practitioner as they would be to a much larger organization. I have always received succinct, to-the-point answers that allow me to make management decisions. CMA is unquestionably an indispensable asset to my practice."

Stacy L. Waneka, MD
CMA member since 1997

Payor updates

AETNA: Aetna recently notified contracting physicians that effective April 4, 2011, Aetna will no longer provide physicians with paper EOBs. In order to continue to receive paper EOBs, physicians must complete and return Aetna's Request for Exclusion from Paper Shut-Off form found at www.cmanet.org/news/cpr. Physicians are reminded that they will need to complete a new opt-out form to be excluded from paper shut-off in 2011, even if the physician signed an opt-out form in 2010.

ANTHEM BLUE CROSS: The insurer notified contracting physicians in a notice dated Jan. 5, 2011, of new and revised medical policies and clinical UM guidelines, which will be effective April 8. New or revised medical policies include, but are not limited to, IMRT, genetic testing, brachytherapy, skin related cosmetic and reconstructive services, and transcatheter heart valves.

A copy of the Blue Cross notice can be found at www.cmanet.org/news/cpr. The complete list of Blue Cross' Medical Policies and Clinical UM Guidelines can be accessed on the Blue Cross website, www.anthem.com/ca, select "Provider," and then "Medical Policies and Clinical UM Updates."

CIGNA: CIGNA recently announced in its electronic provider bulletin that effective Feb. 22, CIGNA is revising its modifier 25 and modifier 59 policies. Specifically, CIGNA has reduced the list of code combinations that require documentation with the use of the modifier. The modifier 25 list has been reduced from 79 to 57 code combinations. Modifier 59 has been revised from 79 code combinations to just four.

The list of code combination requirements can be found on the secure CIGNA for Health Care Professionals website, www.cignaforhcp.com, by going to "Resources," then "Clinical reimbursement Policies and Payment Policies," and selecting "Modifiers and Reimbursement Policies."

UNITED: UnitedHealthcare recently announced changes to the procedure code list for the plan's Radiology Notification and Prior Authorization programs. Claims with dates of service on or after Jan. 1, are subject to these changes. Specifically, United added three CPT codes and six HCPCS codes to the notification and prior authorization list.

The full list of procedure codes requiring notification or prior authorization for 2011 can be found on the United website, www.unitedhealthcareonline.com, by going to "Clinician Resources," then "Radiology," then "Radiology Notification & Authorization," and selecting the "Resources: Reference Materials" section.

Got questions?

If you have questions related to any articles, please contact the California Medical Association's (CMA) reimbursement help line, 888/401-5911 or economicservices@cmanet.org.

Save the Date:

Upcoming CMA events

The California Medical Association (CMA) offers our members programs to educate physicians and staff on a range of practice management issues. Space is limited, so register soon. Events marked with an asterisk (*) are PMI CEU Credit Approved.

Upcoming CMA webinars

2/9: How to Enroll in the Federal EHR Incentive Programs

Member Only Webinar (12:15 - 1:15 pm)

Jon Langmead from the Centers for Medicare and Medicaid Services (CMS) will walk physicians and their staff through the new CMS EHR website, and explain what information will be needed to enroll in the incentive program.

3/2: E & M Coding - Don't Leave Money on the Table

Member Only Webinar (12:15 - 1:15 pm)

This informative webinar will be presented by Practice Management Institute and will walk physicians through E & M coding.

3/16: Key Financial Ratios to Increase Practice Profitability

Member Only Webinar (12:15 - 1:15 pm)

In this webinar you will learn critical skills in analyzing the practice profit/loss statement for overhead expense ratios, accounts receivable ratios, staffing ratios and how to access specialty comparison norms for benchmarking.

Upcoming CMA seminars

What Every Physician Needs to Know About Their Practice

CMA's Frank Navarro will teach physicians and their staff how to control costs, maintain quality staff and improve patient experiences to help ensure the success of the practice.

2/9: Fresno-Madera Medical Society

(11:30 am - 2:00 pm)

1382 E Alluvial Avenue #106, Fresno
Call 559/224-4224, x112, for information and to register.

2/23: Riverside County Medical Society

(12:00 - 2:00 pm)

3993 Jurupa Ave, Riverside
Call 951/686-3342 for information and to register.

For more information or to register for any of these events, visit www.cmanet.org/calendar.

Education and networking opportunities

There are numerous educational and networking opportunities for office managers and administrators throughout California. Many county medical societies host forums for practice managers and are an excellent resource. The California Chapter of the Medical Group Management Association (CAMGMA) also offers a broad range of practice leadership, professional development, educational opportunities, and networking activities. For more information or to register for upcoming CAMGMA events, visit www.camgma.com/calendar.cfm.